



# PUBLIC NOTICE

**Federal Communications Commission**  
**445 12<sup>th</sup> St., S.W.**  
**Washington, D.C. 20554**

**News Media Information 202 / 418-0500**  
**Internet: <http://www.fcc.gov>**  
**TTY: 1-888-835-5322**

**DA 17-158**

**Released: February 9, 2017**

**NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.'S PROPOSED  
2017 MODIFICATION OF AVERAGE SCHEDULE FORMULAS  
PLEADING CYCLE ESTABLISHED**

**WC Docket No. 16-400**

**Comment Date: March 13, 2017**

**Reply Comment Date: March 28, 2017**

With this Public Notice, the Wireline Competition Bureau seeks comment on the National Exchange Carrier Association, Inc. (NECA) proposed modification of average schedule formulas. On December 22, 2016, NECA filed with the Commission its proposed modification of average schedule formulas for interstate settlements, pursuant to section 69.606 of the Commission's rules.<sup>1</sup> NECA proposes to revise the formulas for average schedule interstate settlement disbursements in connection with the provision of interstate access services for the period beginning July 1, 2017, through June 30, 2018.

While the impact of the proposed formula changes on individual average schedule companies will vary depending on each company's size, demand trends, and characteristics, NECA proposes overall formula changes that would increase settlement rates by 0.74 percent, at constant demand.<sup>2</sup> According to NECA, the proposed common line, DSL Voice-Data, and Broadband-Only Second Mile settlement formulas reflect the same general structures and methods as current formulas.<sup>3</sup> However, NECA proposes to modify the methodology used to calculate the Consumer Broadband-Only Loop (CBOL) settlement. According to NECA's filing, the CBOL settlement is currently calculated as the sum of two formulas: the DSL Basic formula and the Broadband-Only Loop increment formula based on the High Cost Loop Support methodology.<sup>4</sup> The proposed CBOL formula is a single formula based on the Common Line formula and the ratio of cost companies' common line revenue requirements calculated as if 100% of the common line investment was allocated to the interstate jurisdiction versus the 25% interstate allocation.<sup>5</sup>

<sup>1</sup> 47 C.F.R. § 69.606(b). *See* National Exchange Carrier Association, 2017 Modification of Average Schedules, attached to Letter from Richard A. Askoff, Executive Director - Regulatory, NECA, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-400 (filed Dec. 22, 2016).

<sup>2</sup> *Id.* at Summary-1.

<sup>3</sup> *Id.* at Summary-1.

<sup>4</sup> *Id.* at Summary-1-2.

<sup>5</sup> *Id.* at Summary-2.

Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS). *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the Commission's Electronic Comment Filing System (ECFS): <http://apps.fcc.gov/ecfs>.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th Street, SW, Room TW-A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.
- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, SW, Washington, DC 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice) or (202) 418-0432 (tty).

The proceeding this Notice initiates shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules.<sup>6</sup> Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt,

---

<sup>6</sup> 47 C.F.R. §§ 1.1200 *et seq.*

searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

For further information, please contact Robin Cohn, Pricing Policy Division, Wireline Competition Bureau, at (202) 418-2747 or via email at [Robin.Cohn@fcc.gov](mailto:Robin.Cohn@fcc.gov).

- FCC -